

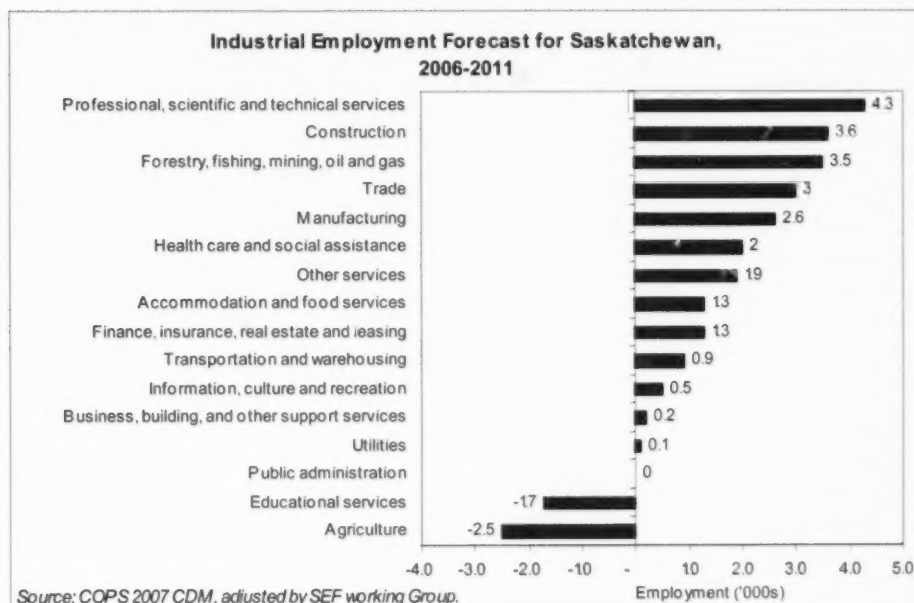


Industrial Employment Outlook

Steady Employment Growth Over the Next Five Years

Steady employment growth is forecast for Saskatchewan. Economic growth is expected to create 21,000 **new** employment opportunities over the five-year period, 2006 to 2011, at an annual average growth rate of 0.8%. Employment growth is expected in most industries, with the largest number of opportunities in Professional, Scientific and Technical Services; Construction; and Forestry, Fishing, Mining, Oil and Gas.

This profile provides an overview of employment trends for 16 major industries in Saskatchewan. The Saskatchewan Employment Forecast (SEF) projects employment growth for major industry groups for the 2006 to 2011 period. This forecast is based on Saskatchewan Finance's 2007-08 Budget employment outlook, the Canadian Occupational Projection System (COPS) industrial employment trends and stakeholder consultations. Projected industrial employment opportunities are a result of economic growth only. The forecast does not reflect current job vacancies or opportunities due to attrition and it does not distinguish between full-time and part-time jobs. Employees and self-employed persons are included.



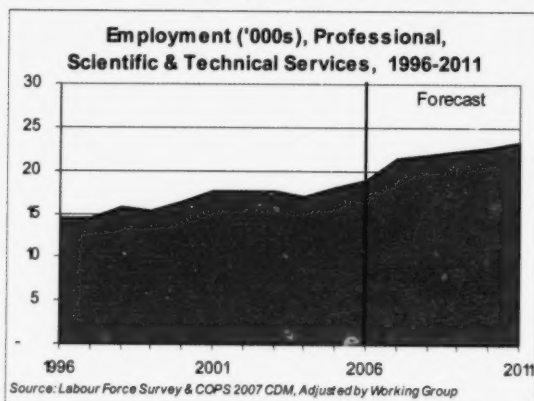
Economic and Labour Market Update

The 2007 SEF is based on assumptions that reflect current and expected economic conditions at the time of the development of the forecast scenario (Spring 2007). Changes in economic conditions can occur that will impact the forecast, such as unforeseen fluctuations in commodity prices and the slowdown in the U.S. housing market. Other developments not captured in this forecast include the rapid increase of the Canadian dollar compared to the U.S. dollar and recent positive net migration due to an influx of people moving to Saskatchewan from other provinces.



Professional, Scientific and Technical Services

This industry consists of businesses that perform professional, scientific and technical activities for others that generally require a high degree of expertise and training. These services are provided to client businesses in a variety of other industries as well as directly to households. Activities include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering and specialized design services; computer, consulting and research services; advertising and photographic services; translation and interpretation services; and veterinary services.



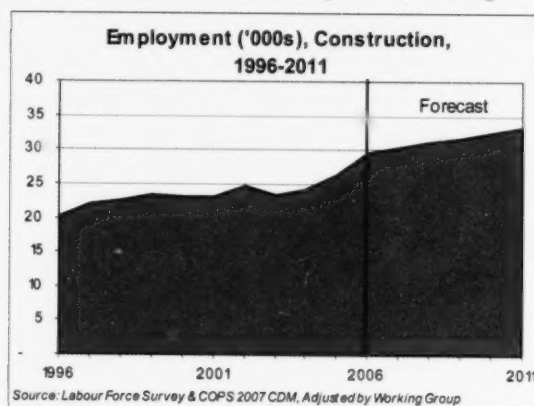
Professional, Scientific and Technical Services is the fastest growing industry in the province with a 4.2% annual average growth rate and an expected 4,300 new opportunities over the forecast period. This industry is heavily influenced by the knowledge sector and will grow with an increased need for specialized knowledge and skills.

Construction

This industry primarily focuses on constructing industrial, commercial and residential buildings and engineering projects. Industry activity may include new construction, additions, alterations, maintenance and repairs. Employment in the Construction industry is expected to continue its recent growth, adding 3,600 jobs over the forecast period with an annual average rate of 2.4%.

Investment in the residential sector is expected to continue to rise for the next few years, followed by a levelling off or slight decline near the end of the forecast period. The residential sector will continue to be fuelled by pent-up demand for housing and new demand due to more people moving to the province. Expenditures in renovations are expected to continue to grow through the forecast period.

Non-residential construction is expected to continue to increase throughout the forecast period. Major projects play a key role in the economic prosperity of the province and in the demand for labour in the construction sector. Some of the major projects proposed or scheduled for development during the forecast period include: potash, uranium and diamond expansion and exploration projects; multiple feedlots, hog barns and animal processing plants across the province; retail trade expansion; ethanol plants; steel manufacturing plant expansions; heavy oil upgrader expansions; and health and education infrastructure projects.



More information on the outlook for the Construction industry in Saskatchewan can be found through the Construction Sector Council (www.csc-ca.org/english/whatsnew_2.html#CLF-SK-07). Information on major economic projects in the province can be found in the 2007 Major Projects Inventory (www.recd.gov.sk.ca/Major-Projects-Inventory-2007).

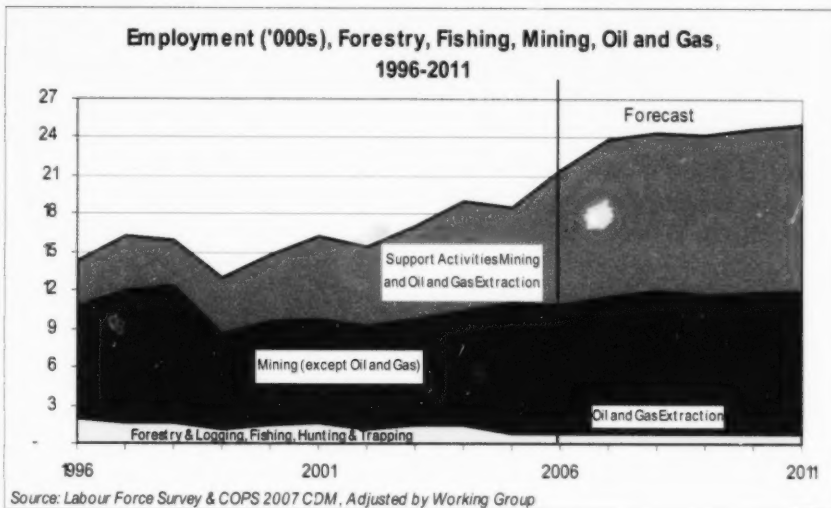
Forestry, Fishing, Mining, Oil and Gas

The Forestry, Fishing, Mining, Oil and Gas industry group is one of the largest contributors to provincial GDP. The components related to Mining, Oil and Gas account for more than 9 out of every 10 jobs in this industry. Forestry includes timber tract operations, forest nurseries and gathering of forest products, logging, and support activities. Fishing includes fishing, hunting and trapping, and accounts for a very small share of industry employment.

An additional 3,500 jobs are forecast for this industry, averaging 3.0% annually, largely due to job growth in Support Activities for Mining, Oil and Gas Extraction and Mining. Employment in Forestry and Fishing will remain relatively constant, and employment in Oil and Gas extraction is expected to decline over the forecast period.

High commodity prices for minerals, crude oil and natural gas over the past two years have increased industry revenues and stimulated investment in new projects. This has had a positive effect on employment despite the capital-intensive nature of the industry.

Saskatchewan is the world's largest producer of both potash and uranium. Growth in the Mining sub-industry will be supported by expanded potash and uranium activity. The Support Activities for Mining, Oil and Gas Extraction sub-industry includes exploration activities for diamonds, uranium, gold, base metals, and industrial minerals including potash, clay, coal and rare earth minerals.



Trade

The Trade industry includes wholesale and retail trade. An additional 3,000 jobs are expected at an annual average rate of 0.7% over the forecast period.

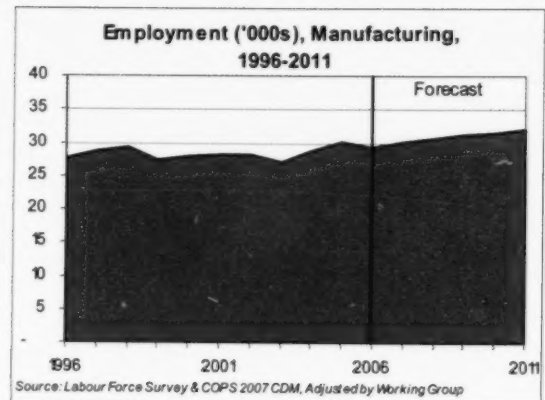


Strong underlying demand for goods in the growing Saskatchewan economy will produce employment opportunities. Retail trade is linked to housing, wages and employment, and all have been increasing. Wage increases have pushed up real disposable income in Saskatchewan and will have a favourable impact on consumer spending, driving up the consumption of goods and services. Increased housing activity, vehicle sales and general consumer spending all support growth in this industry. Increased employment opportunities in wholesale trade will be restrained by a strong Canadian dollar, possibly limiting export opportunities.

Manufacturing

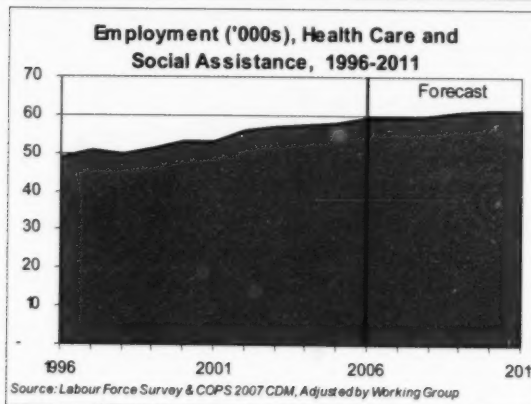
The Manufacturing industry consists of several sub-industries with businesses engaged in the mechanical, physical or chemical transformation of materials, substances or components into new products. Industry employment is expected to grow faster than the provincial average, with a 1.7% annual average growth rate and 2,600 projected opportunities over the forecast period.

Most of the forecast employment gains in this industry are the result of positive growth in Metal Fabrication and Machining due to strong demand in the resource sector in Western Canada. All other sub-industries forecast small changes in employment. Exporting plays a large role in this industry. The strength of the Canadian dollar will continue to make Canadian-made products more expensive to export to foreign countries, particularly the United States.



Improvements in productivity through technology and other means are expected to decrease the number of workers needed to complete a given amount of work. Growth in production will be necessary to maintain a steady level of employment.

Health Care and Social Assistance



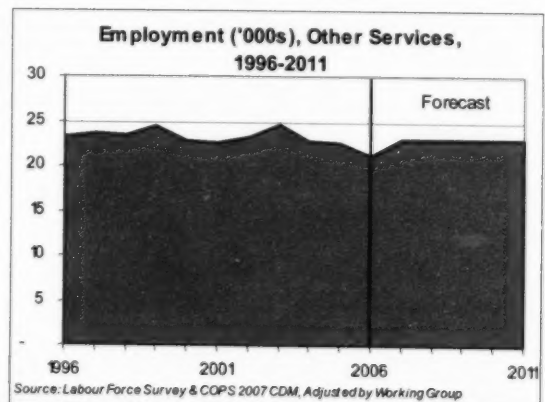
This industry consists of organizations and institutions that primarily provide health care and social assistance services to individuals. An additional 2,000 jobs are forecast at an annual average rate of 0.7%.

Demographics and government policy are the main factors influencing employment in this industry. Aging of the Saskatchewan population and the rising cost of health care will impact this industry. Labour demand is spread across the province and numerous initiatives are in place to encourage the attraction and retention of related professionals.

Other Services

This industry includes establishments not classified to any other sector. Activities include: equipment and machinery repair and maintenance; promotion or administration of religious activities; dry-cleaning and laundry services; personal care services; death care services; pet care services; photo finishing services; temporary parking services and dating services.

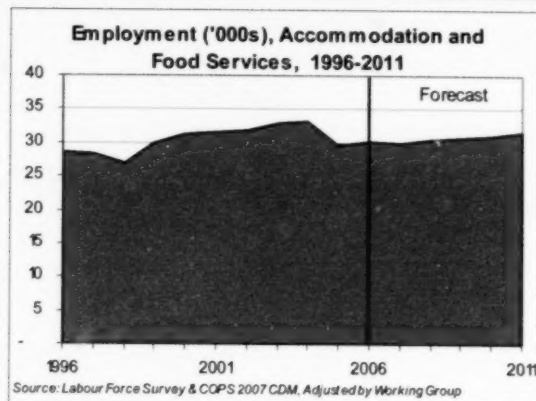
Employment is projected to increase over the next five years with an additional 1,900 new jobs, averaging 1.7% annual growth. The repair and maintenance portion of this industry group is expected to remain weak while growth is expected in all the other industry components.



Accommodation and Food Services

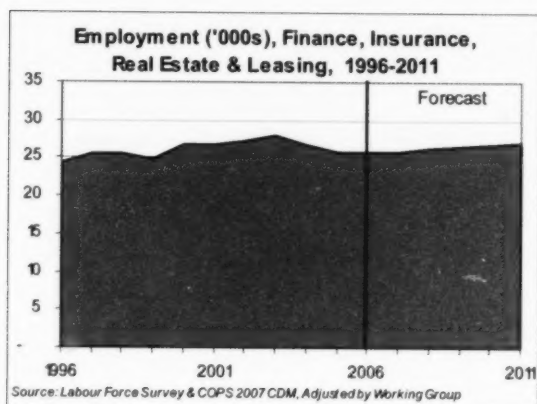
Accommodation and Food Services includes businesses that provide customers with lodging or prepare meals, snacks and beverages for immediate consumption. An additional 1,300 new jobs are expected over the next five years, with an employment growth of 0.9%. This rate is slightly above the provincial average.

Increases in the population through inter-provincial and international migration, continued strong consumer spending, and continued economic growth are expected to contribute to continued employment in this industry over the forecast period.



Finance, Insurance, Real Estate and Leasing

This industry includes businesses primarily engaged in financial transactions that involve the creation, liquidation or change in ownership of financial assets, or in facilitating financial transactions. It also includes businesses that rent, lease or otherwise allow the use of their assets by others. The assets may be tangible (e.g. real estate and equipment) or intangible (e.g. patents and trademarks).

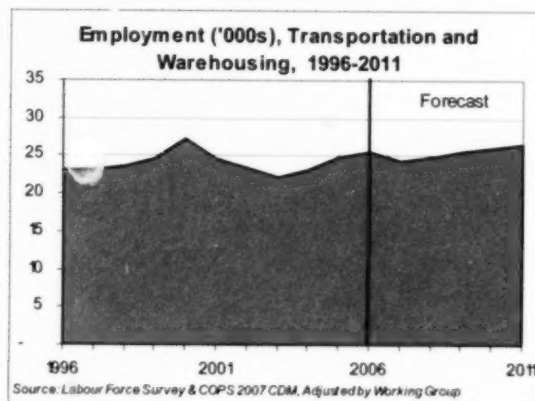


Employment in this industry is expected to add 1,300 jobs over the forecast period with an annual average growth rate of 1.0%. The banking and insurance portion of the industry appears to be reducing employment numbers while the real estate and finance portions are increasing the number employed. Real estate related activity will be supported by a strong housing market at least for the first few years of the forecast.

Transportation and Warehousing

Industry activity includes the transport of passengers and cargo, warehouse and storage of goods, and support activities related to modes of transportation. An additional 900 new jobs are expected, averaging 0.7% annually over the forecast period.

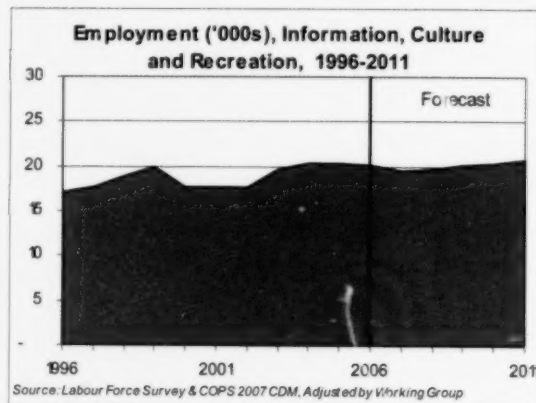
The main drivers of employment growth are increased production of goods and services in industries involved in merchandise export, travel, accommodation and food, wholesale trade and construction. These industries rely on shipping and storage to reach their customers without delays, and to supply the required amounts of goods and services at the right time.



Information, Culture, and Recreation

The main industry components are publishing, broadcasting, motion picture and sound recording, telecommunications, internet service providers and web search portals, data processing and information services, and recreation. The recreation portion includes a wide range of businesses and organizations that operate facilities or provide services to meet the varied cultural, entertainment and recreational interests of their patrons.

An additional 500 jobs are forecast at an annual average rate of 0.5%. Economic activities that influence this industry are telecommunications maintenance and expansion, casino development and expansion, and movie and television production.

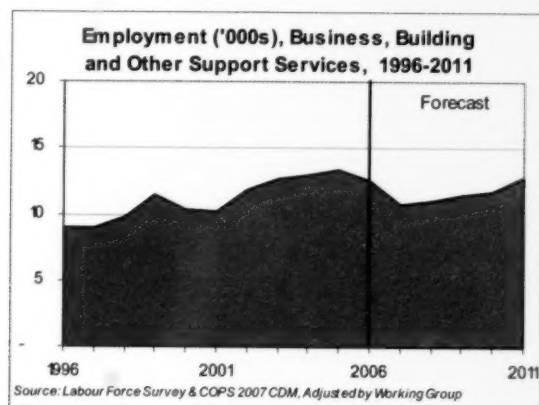


Business, Building and Other Support Services

This industry includes companies primarily engaged in managing companies and enterprises and/or holding their securities or financial assets, for the purpose of owning a controlling interest in them and/or

influencing their management decisions. It also includes companies that perform routine support activities for the 'day to day' operations of other organizations. Activities may include office administration, hiring and placing of personnel, document preparation, clerical services, solicitation, collection, security and surveillance services, and cleaning and waste disposal services. Travel agencies are also part of this industry.

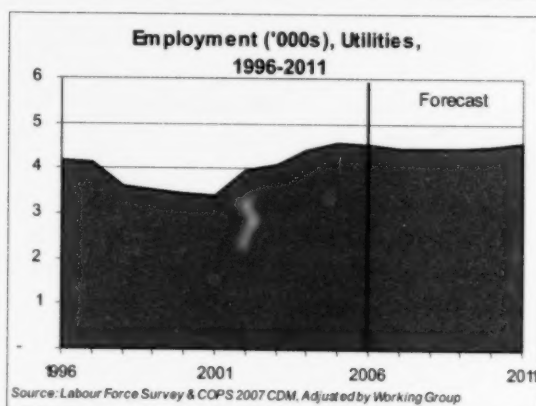
Industry employment is forecast to remain relatively stable, with growth of 200 jobs and an annual average growth rate of 0.3%. An employment decline in 2007 should be followed by steady growth for the remainder of the forecast period.



Utilities

The Utilities industry consists of businesses that provide electricity, natural gas, steam supply, water supply and sewage removal services. Over the forecast period, employment is projected to remain relatively stable with a slight increase of 100 jobs at an annual average rate of 0.2%.

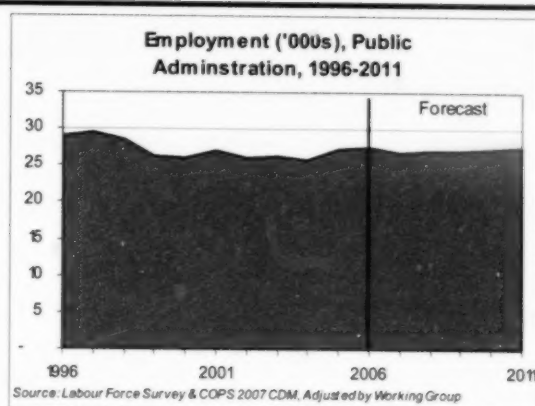
Additional power infrastructure is proposed for development over the next three to five years. However, most of the short- and medium-term employment opportunities related to this development activity are included in the Construction industry forecast.



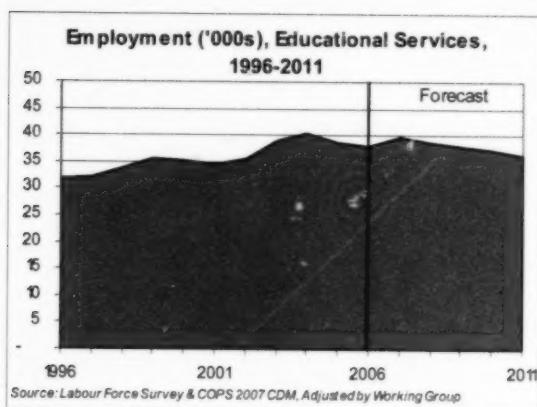
Public Administration

This industry includes federal, provincial and local government agencies that administer, oversee and manage public programs and have executive, legislative or judicial authority over other institutions within a given area. These agencies also set policy, create laws, adjudicate civil and criminal legal cases, and provide for public safety and national defence. This industry typically organizes and finances the production of public goods and services.

Employment across this industry is forecast to remain stable, with no expected new growth.



Educational Services



This industry includes instruction and training provided in a wide variety of subjects by schools, colleges, universities and training centres. These establishments may be privately or publicly owned. Employment is expected to decline by 1,700, at an annual average rate of -0.8% .

The declining birth rate will continue to lower the number of children attending K-12 schools and decrease the number of elementary and secondary educators that are needed. If the province continues to experience an in-flow of people through migration, this trend could be lessened. Employment in post-secondary education is expected to remain constant, with isolated growth in specific areas.

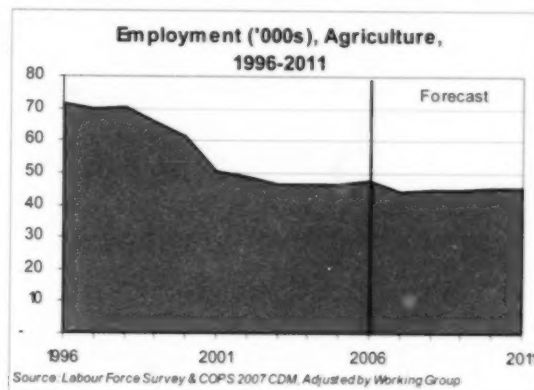
More information on the expected supply and demand of K-12 educators can be found in Ministry of Education documents (www.sasklearning.gov.sk.ca/branches/aar/prov_exams/docs/educatorsupplyanddemand.pdf).

Agriculture

The Agriculture industry is primarily involved in crop and livestock production and marketing, including farm and ranch operations and support activities such as soil preparation, planting, harvesting or management.

Over the forecast period, employment is projected to decline by 2,500 jobs at an annual average rate of -1.1% .

There has been a declining trend in the number of farms in the province, impacting the number of people engaged in agriculture-related employment. Consolidations in the agricultural industry are expected to continue in the near future. Those trends coupled with the purchase of large equipment, will cause less demand for labour in primary production. Current high prices for land may influence older producers to exit farming and recover their land costs in the current real estate market.

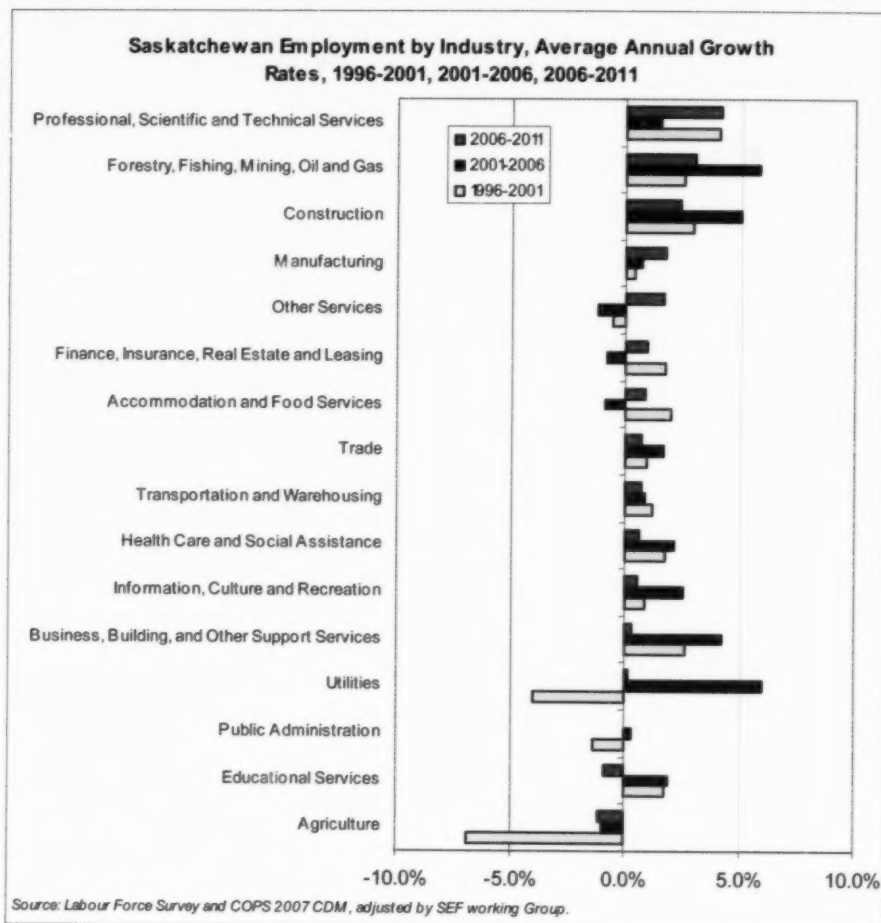


Trends in Industrial Employment Growth

Nine of the 16 industry groups in the province have experienced positive employment growth over the past ten years and are expected to continue growing during the forecast period.

Professional, Scientific, and Technical Services; Forestry, Fishing, Mining, Oil and Gas; and Construction have consistently experienced some of the fastest growth in the province. Agriculture is the only industry to experience actual or expected employment declines in all three periods.

Annual average growth rates indicate the pace of industry expansion or contraction, but do not measure the magnitude of the change. For example, the Trade and the Health Care and Social Assistance industries have the same expected annual average growth rate of 0.7%; however this equates to 3,000 Trade opportunities and 2,000 in Health.



Employment Growth by Industry, 2006 to 2011

	Employment			
	2006 (Actual)	2011 (Forecast)	Gains or Losses	AAGR*
Professional, Scientific and Technical Services	18,900	23,200	+4,300	4.2%
Construction	29,600	33,200	+3,600	2.4%
Forestry, Fishing, Mining, Oil and Gas	21,500	25,000	+3,500	3.0%
Trade	79,200	82,200	+3,000	0.7%
Manufacturing	29,300	31,900	+2,600	1.7%
Health Care and Social Assistance	59,500	61,500	+2,000	0.7%
Other Services	21,200	23,100	+1,900	1.7%
Accommodation and Food Services	30,200	31,500	+1,300	0.9%
Finance, Insurance, Real Estate and Leasing	25,700	27,000	+1,300	1.0%
Transportation and Warehousing	25,700	26,600	+900	0.7%
Information, Culture and Recreation	20,200	20,700	+500	0.5%
Business, Building and Other Support Services	12,600	12,800	+200	0.3%
Utilities	4,500	4,600	+100	0.2%
Public Administration	27,500	27,500	0	0%
Educational Services	38,100	36,400	-1,700	-0.9%
Agriculture	47,800	45,300	-2,500	-1.1%
All Industries	491,600	512,600	+21,000	0.8%

*Annual Average Growth Rate



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